



# PUBLIC NOTICE

**Federal Communications Commission**  
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**Washington, D.C. 20554**

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**DA 13-2371**

**Released: December 12, 2013**

## **DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF NTS, INC. TO T3 NORTH INTERMEDIATE HOLDINGS, LLC**

### **STREAMLINED PLEADING CYCLE ESTABLISHED**

**WC Docket No. 13-269**

**Comments Due: December 26, 2013**

**Reply Comments Due: January 2, 2014**

On November 6, 2013, NTS, Inc. (NTS) and T3 North Intermediate Holdings, LLC (T3 Intermediate) (together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules<sup>1</sup> to transfer control of NTS to T3 Intermediate.

NTS, a Nevada corporation, is a holding company that provides fiber-based, competitive telecommunications services through its U.S.-based subsidiary licensees in Texas, Louisiana, Mississippi, Arizona, Colorado, Kansas, New Mexico, and Oklahoma. Its subsidiaries are NTS Communications, Inc. (NTSC), PRIDE Network, Inc. (PRIDE) (wholly owned by NTSC), NTS Telephone Company, LLC (wholly owned by NTSC), and Xfone USA, Inc.

T3 Intermediate, a Nevada limited liability company, is a direct wholly owned subsidiary of T3 North Holdings, LLC (T3 Holdings), a Delaware limited liability company. Both T3 Holdings and T3 Intermediate were created for the purpose of this proposed transaction. Tower Three Partners Fund II LP (T3P II), a Delaware limited partnership, currently holds all of the direct ownership interests in, and exercises voting control of, T3 Holdings. T3P II is directly controlled by its general partner, Tower Three Partners Fund II GP LP (T3P II GP LP), and is ultimately controlled by Tower Three Partners Fund II GP LLC (T3P II GP LLC), both Delaware entities. The managing member of T3P II GP LLC is William D. Forrest, a U.S. citizen. Applicants state that, upon consummation of the transaction, T3P II will hold greater than 90 percent of the direct ownership interests in T3 Holdings.<sup>2</sup> Applicants state that T3 Holdings will be managed by its board of directors, which is expected to consist of William D. Forest, Michael Nold (U.S. citizen), Daniel Bellissimo (Canadian citizen), and Guy Nissenson (British,

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<sup>1</sup> 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants also filed applications for transfer of control associated with authorization for international services and Cable Television Relay Service. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Applicants filed supplements to their domestic section 214 application on December 4 and 11, 2013.

<sup>2</sup> Applicants state that, prior to closing, T3 Holdings will be converted to a Delaware corporation wholly owned by T3P II, and T3Intermediate will be converted to a Nevada Corporation wholly owned by T3 Holdings.

Argentinian, and Israeli citizen).<sup>3</sup> Applicants state that T3 Intermediate has no affiliates that provide telecommunications services.

Pursuant to the terms of the proposed transaction, NTS will be a direct, wholly owned subsidiary of T3 Intermediate, and the NTS Licensees will remain wholly owned direct or indirect subsidiaries of NTS.<sup>4</sup> Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>5</sup>

Domestic Section 214 Application Filed for the Transfer of Control of NTS, Inc. to T3 North Intermediate Holdings, LLC, WC Docket No. 13-269 (filed Nov 6, 2013).

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before December 26, 2013**, and reply comments **on or before January 2, 2014**. Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice.<sup>6</sup>

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): <http://fjallfoss.fcc.gov/ecfs2/>.

**In addition, e-mail one copy of each pleading to each of the following:**

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, [tracey.wilson@fcc.gov](mailto:tracey.wilson@fcc.gov);
- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, [jodie.may@fcc.gov](mailto:jodie.may@fcc.gov);
- 3) David Krech, Policy Division, International Bureau, [david.krech@fcc.gov](mailto:david.krech@fcc.gov);

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<sup>3</sup> Applicants state that Guy Nissenson, NTS's Chairman, President, and Chief Executive Officer, will roll over certain shares of NTS common stock beneficially owned by Mr. Nissenson into shares of T3 Holdings. Applicants state that Mr. Nissenson's interest in T3 Holdings will be well under 10 percent.

<sup>4</sup> Upon closing, Applicants state that it is likely that there will be outstanding warrants for the purchase of 450,000 shares of NTS, Inc. common stock. These warrants may not be exercised later than May 1, 2014. In the event that the warrants are exercised, T3 Intermediate will effect a short form merger under Nevada law whereby T3 Intermediate will merge with and into NTS, Inc., with NTS, Inc. then becoming a wholly owned direct subsidiary of T3 North Holdings, Inc. Applicants certify that this post-closing reorganization, should it take place, will not result in any further change in the actual controlling party of NTS, Inc.

<sup>5</sup> 47 C.F.R. § 63.03(b)(2)(i).

<sup>6</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

4) Jim Bird, Office of General Counsel, [jim.bird@fcc.gov](mailto:jim.bird@fcc.gov).

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to [fcc504@fcc.gov](mailto:fcc504@fcc.gov) or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s *ex parte* rules.<sup>7</sup> Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s *ex parte* rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Jodie May at (202) 418-0913.

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<sup>7</sup> 47 C.F.R. §§ 1.1200 *et seq.*